REMARKS

Claims 1-20 are rejected under 35 U.S.C. § 102(e) as being anticipated by previously-cited Castelli et al. (US 6,141,445; hereafter "Castelli").

In the Amendment filed July 23, 2004, Applicant argued that Castelli does not disclose the feature of claim 2 of performing a coefficient transformation process, which corresponds to a desired image processing, on the decoded transformed signals to obtain processed transformed signals which carry a processed image subjected to the desired image processing. In the "Response to Arguments," with respect to claims 2 and 6, the Examiner states that "Castelli clearly teaches inverse wavelet transforming on the decoded transformed signals to obtain processed transformed signals which carry the processed image subjected to the desired image processing (see col. 10, lines 40-48)." The Examiner further contends that Castellit performs coding on transformed sidebands. The cited excerpt states the following:

> *In particular, a lossy version of the image can be reconstructed at any level of resolution by just decoding the blocks that contain wavelet coefficients corresponding to the required portion, and inverting the wavelet transform for these coefficients, only. This provides a significant speedup during the decoding process, since the whole image does not need to be processed, and allows image processing operations to be efficiently applied to reduced resolution image constructs.*

The cited excerpt appears to disclose decoding of blocks that contain certain wavelet coefficients and inverting the wavelet transform for these coefficients. Applicant submits that the wavelet transforms are different from the coefficient processing of the claimed invention, as amended in claims 1-8 and 19-20. The claims describe coefficient transformation processing to produced a desired image by changing values of coefficient signals.

Applicant further submits that Castelli does not teach or suggest all of the limitations of claim 10 of the present application, which recites a switch for selectively inputting the processed coded data from either a coding means or a storage device. The Examiner asserts that the search unit 738 corresponds to the claimed switch. As disclosed in Castelli, the search unit 738 "searches the storage system for at least a portion of the image stored thereon." Thus, the search unit 738 performs searching, not switching. The search unit 738 is not a switch. Hence, claim 10 is not anticipated by Castelli.

For claim 13, Applicant submits that Castelli fails to disclose all of the limitations of the claim. Recited in claim 13 is wherein the coefficient transform comprises at least one of coefficient suppression; a non-linear transform; and gamma transform according to the desired image processing. The Examiner asserts that Castelli teaches DWT as a non-linear transformation at col. 4, lines 37-41. However, the cited excerpt only discloses the following: "One example of a transform-based technique is Discrete Wavelet Transformation, which takes as input the lattice data provided by a user or a program and produces wavelet coefficients representing a multiresolution decomposition of the input data." Nothing in the reference suggests that the DWT disclosed by Castelli is a non-linear transformation. The reference is silent in this regard. Thus, Applicant submits that claim 13 is not anticipated by Castelli.

Applicant submits that claim 15 is allowable for at least the same reasons discussed in relation to claim 13.

Applicant submits that claims 16-18 are allowable at least because of their dependence from claim 13.

With further regard to claims 16, 17 and 18, Applicant submist that Castelli fails to teach or suggest all of the limitations of these claims. The Examiner points to FIG. 3 as allegedly disclosing the features of these claims.

Claim 16 recites wherein the coefficient suppression is applied to high frequency coefficients. The Examiner refers to HH1 and HH2 as being high frequency coefficients, but FIG. 3 does not disclose coefficient suppression.

Claim 17 recites wherein the non-linear transform comprises a gradient adjustment on high frequency coefficients. The Examiner asserts that "the non-linear transform comprises a gradient adjustment on high frequency coefficients." However, as discussed above in relation to claim 13, Castelli fails to disclose the non-linear transform. Furthermore, there is no support for the Examiner's assertion that Castelli discloses gradient adjustment.

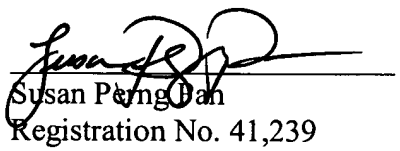
Claim 18 recites wherein the gamma transform is applied to low frequency coefficients. The Examiner points to LL2 as disclosing low frequency coefficients, but Castelli does not disclose the claimed gamma transform. FIG. 3 illustrates no such transform.

Based on the foregoing, Applicant submits that claims 16-18 are allowable over Castelli for these additional reasons.

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,



Susan Peng Han
Registration No. 41,239

SUGHRUE MION, PLLC
Telephone: (202) 293-7060
Facsimile: (202) 293-7860

WASHINGTON OFFICE
23373
CUSTOMER NUMBER

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